

**MINUTES OF THE LOCAL AGENCY FORMATION COMMISSION  
HEARING OF JULY 18, 2007**

**REGULAR MEETING**

**9:00 A.M.**

**July 18, 2007**

**PRESENT:**

<b>COMMISSIONERS:</b>	<b>Paul Biane Kimberly Cox Mark Nuaimi A.R. "Tony" Sedano, Alternate Diane Williams, Alternate</b>	<b>Bob Colven, Chairman Dennis Hansberger, Vice Chairman Larry McCallon Richard P. Pearson</b>
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**STAFF:**

**Kathleen Rollings-McDonald, Executive Officer  
Clark H. Alsop, Legal Counsel  
Samuel Martinez, LAFCO Analyst  
Michael Tuerpe, LAFCO Analyst  
Rebecca Lowery, Deputy Clerk to the Commission**

**ABSENT:**

<b>COMMISSIONERS:</b>	<b>James V. Curatalo, Alternate</b>	<b>Brad Mitzelfelt, Alternate</b>
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**REGULAR SESSION – CALL TO ORDER – 9:08 A.M.**

Chairman Colven calls the regular session of the Local Agency Formation Commission to order and leads the flag salute.

Chairman Colven requests those present who are involved with any of the changes of organization to be considered today by the Commission and have made a contribution of more than \$250 within the past twelve months to any member of the Commission to come forward and state for the record their name, the member to whom the contribution has been made, and the matter of consideration with which they are involved. There are none.

**APPROVAL OF MINUTES FOR REGULAR MEETING OF JUNE 20, 2007**

Chairman Colven calls for any corrections, additions, or deletions to the minutes. Kathleen Rollings-McDonald, Executive Officer, states that there are 2 corrections to the minutes. One on page 5 to clarify that the landowners listings are only provided to commissioners who are elected, they are not provided to the public member and the alternate public member of the commission and one on page 6 to clarify that Commissioner Pearson voted on the item listed on that page. Commissioner Pearson moves approval of the minutes with corrections, seconded by Commissioner Biane. Chairman Colven calls for a voice vote on the motion and it is as follows: Ayes: Biane, Colven, McCallon, Pearson Noes: None. Abstain: Cox. Absent: Curatalo, Mitzelfelt, Hansberger, Nuaimi.

**CONSENT ITEMS:**

**APPROVAL OF THE EXECUTIVE OFFICER'S EXPENSE REPORT**

LAFCO considers the item listed under its consent calendar. A Travel Claim and Visa Justification for the Executive Officer's expense report have been prepared and a copy of each is on file in the LAFCO office and is made a part of the record by its reference herein. Notice of this consent item has been advertised as required by law through publication in The Sun, a newspaper of general circulation.

Chairman Colven asks if there is anyone present wishing to discuss this item. There is no one.

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Chairman Colven calls for action by the Commission on the Executive Officer's expense report. Commissioner Pearson moves approval of the expense report, seconded by Commissioner Biane. Chairman Colven calls for a voice vote on the motion and it is as follows: Ayes: Biane, Colven, Cox, McCallon, Pearson Noes: None. Abstain: None. Absent: Curatalo, Mitzelfelt, Hansberger, Nuaimi.

**APPROVAL OF THE PAYMENTS AS RECONCILED FOR THE MONTH OF JUNE 2007 AND NOTING CASH RECEIPTS**

LAFCO considers the approval of the payments as reconciled for the Month of June 2007 and Note Cash Receipts. A staff report outlining the staff recommendations for the reconciled payments has been prepared and a copy is on file in the LAFCO office and is made a part of the record by its reference herein. Notice of this consent item has been advertised as required by law through publication in The Sun, a newspaper of general circulation.

Chairman Colven asks if there is anyone present wishing to discuss this item. There is no one.

Chairman Colven calls for approval of the payments as reconciled for the Month of June 2007 and Note Cash Receipts. Commissioner McCallon moves approval of the item, seconded by Commissioner Cox. Chairman Colven calls for a voice vote on the motion and it is as follows: Ayes: Biane, Colven, Cox, McCallon, Pearson Noes: None. Abstain: None. Absent: Curatalo, Mitzelfelt, Hansberger, Nuaimi

**CONSIDERATION OF LAFCO SC#313-CITY OF FONTANA IRREVOCABLE AGREEMENT TO ANNEX NO. 07-00002 FOR SEWER SERVICE**

A staff report outlining the staff recommendations for SC# 313 has been prepared and a copy is on file in the LAFCO office and is made a part of the record by its reference herein. Notice of this consent item has been advertised as required by law through publication in The Sun, a newspaper of general circulation. The Notice of Hearing for the consideration of LAFCO SC#313 was also advertised in the Fontana Herald, a newspaper of general circulation in the area. Individual mailed notice of the proposals was provided to affected and interested agencies, County departments, those agencies and individuals requesting mailed notice and landowners and registered voters within and surrounding the LAFCO SC#313 service contract area pursuant to State law and Commission policy.

Chairman Colven asks if there is anyone present wishing to discuss this consent item.

Kathleen Rollings-McDonald, Executive Officer, informs Chairman Colven of a request to speak on this item and wishes it deferred for discussion on the consent calendar.

Chairman Colven calls for Mr. Robert G. Pountney; however Mr. Pountney does not come forward. – Chairman Colven calls for approval of the item. Commissioner Cox moves approval of the item, seconded by Commissioner Pearson. Chairman Colven calls for a voice vote on the motion and it is as follows: Ayes: Biane, Colven, Cox, McCallon, Pearson Noes: None. Abstain: None. Absent: Curatalo, Mitzelfelt, Hansberger, Nuaimi

**CONTINUED ITEMS:**

**CONTINUED FROM JUNE 20, 2007 - CONSIDERATION OF: (1) REVIEW OF NEGATIVE DECLARATION PREPARED BY CITY OF FONTANA FOR CHERRY AVENUE-HEMLOCK AVENUE, SOUTH ANNEXATION 170 (ANX. 06-0008) (SCH NO. 2006081026), AS CEQA RESPONSIBLE AGENCY FOR LAFCO 3077; (2) REVIEW OF ADDENDUM PREPARED BY LAFCO ENVIRONMENTAL CONSULTANT, AS CEQA LEAD AGENCY FOR LAFCO 3077; AND (3) LAFCO 3077-CITY OF FONTANA ANNEXATION NO. 170**

Commissioner Biane states that he has a conflict on item #7 and will be abstaining on this issue.

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LAFCO conducts a public hearing, continued from June 20, 2007, to consider LAFCO 3077 City of Fontana for Cherry Avenue-Hemlock Avenue, South Annexation 170. Notice of the original hearing on June 20, 2007 was advertised as required by law through publication in The Sun, and in the Fontana Herald, newspapers of general circulation in the area. Individual notice of this hearing was provided to affected and interested agencies, County departments and those individuals and agencies requesting mailed notice and to landowners and registered voters within and surrounding the annexation area pursuant to State law and Commission policy.

LAFCO Analyst Sam Martinez presents the staff report, a complete copy of which is on file in the LAFCO office and is made part of the record by its reference herein. Mr. Martinez states that LAFCO 3077 – City of Fontana Annexation No. 170 is a proposal to annex approximately 125+/- acres to the City that is located along the south side of Foothill Boulevard between Cherry and Hemlock Avenues. He states that the City of Fontana has submitted the application for this annexation for the following reasons: First, to provide municipal services such as street improvements, traffic control and zoning consistency along Foothill Boulevard, and .second, due to the California Department of Transportation (CALTRANS) relinquishing responsibility of Foothill Boulevard to the City, the City wishes to annex this portion of Foothill Boulevard for jurisdiction for future improvements and finally, the City wishes to “square off” its boundaries along the south side of Foothill Boulevard, thereby reducing jurisdictional confusion between the City and County Boundaries. He continues stating that it is LAFCO staff’s position that this annexation proposal is a logical boundary since it includes whole blocks between Cherry and Hemlock Avenues. By taking the boundary along street centerlines, the proposal becomes an easily identifiable boundary for service delivery.

Mr. Martinez states that the annexation area is currently a mix of single family and multi-family residential development as well as a mix of commercial development along the Foothill Boulevard area. There are also a number of vacant parcels within the annexation area. Surrounding land use also includes a mix of single family, multi-family residential development and some commercial development. He continues by indicating that the County’s current land use designation for the area includes single family residential, multiple family residential, neighborhood commercial and general commercial. The City’s general plan designation for the area includes single family residential, medium density residential which permits mixed residential uses for single family detached units or single family and multiple family attached units and general commercial which permits a range of retailing, wholesaling, and other service activities. He says that as outlined in the staff report, the land use determinations between the City of Fontana’s General Plan and the County of San Bernardino’s current land use designation are generally compatible. In addition, the City’s General Plan has a Boulevard Overlay designation that includes parcels within the annexation area that front Foothill Boulevard. He states that the outline of the City’s General Plan for the Boulevard Overlay is noted in the staff report.

Mr. Martinez says that the City of Fontana has pre-zoned the annexation area for the following land uses: R-1, Single Family Residential, R-2, Medium-Density Residential, and C-2, General Commercial. These land use designations are consistent with the City’s general plan and are also consistent with surrounding land uses. Pursuant to the provisions of Government Code Section 56375(e), these land use designations shall remain in effect for a period of two years following the annexation, unless a specific action is taken by the City Council to change the designation by means of a public hearing.

Mr. Martinez provides a slide display of photos of the annexation area.

Mr. Martinez states that one issue of concern is over a County-approved Project within the Annexation Area. The project, a 136-unit apartment complex on 6.32 acres located at the southeast corner of Foothill Boulevard and Live Oak Avenue (APN 0230-081-011), was submitted to the County in September 2006 and received approval by the Board of Supervisors on June 5, 2007. During that process, the City of Fontana submitted its application for Annexation No. 170, which included that project. This created a timing issue for LAFCO and prompted several meetings between the involved parties. After lengthy discussions, it was agreed that the annexation proposal was to move forward and a mechanism to transfer land use authority from the County to the City was to be determined prior to Commission

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consideration of the proposal. It was agreed that the City will continue processing the project subject to the County's Conditions of Approval for the conditional use permit as well as the conditions that were outlined in the City's pre-annexation agreement. Mr. Martinez states that all the documentation for this project has been attached to the original staff report, which includes the City's letter outlining the process, City's pre-annexation agreement, and the County's Conditions of Approval.

Mr. Martinez states that the City of Fontana provided a plan for service for this proposal as required by law and Commission Policy. It identifies the following: The City of Fontana provides for the sewage collection system and it is already available within portions of the annexation area. Existing residences within the annexation area will not be required to connect to the sewer upon completion of annexation unless there is a septic system failure. Mr. Martinez says that he wants to note that there are a few parcels that currently receive sewer service from the City through Pre-Annexation and Irrevocable Agreements. He says that water service is currently provided by the Fontana Water Company, a private water company that is regulated by the Public Utilities Commission; No change in the service will occur upon the annexation. Law enforcement responsibilities will shift from the San Bernardino County Sheriffs Department to the City of Fontana Police Department; The City has indicated that no major impact on its department will occur and that they have sufficient personnel and equipment to adequately service the annexation area. Fire Protection and Paramedic services are currently provided by the Central Valley Fire Protections District; No change will occur to the service provider upon annexation. Streetlights are currently funded in the annexation area through County Service Area SL-1. While the Plan for Service does not outline this service, the Commission's adopted policy requires documentation of the transfer of this responsibility. There are approximately 35 lights to be transferred to the city and staff has included this condition in its recommendation. Mr. Martinez says that the only financial effect of the annexation will be the five percent (5%) utility tax levied by the City of Fontana to non-residential parcels; this utility tax is due to expire in 2009. As required by Commission policy and state law the plan for service submitted by the City of Fontana indicates that the extension of its services will maintain and/or exceed current service levels provided by the County.

Mr. Martinez says that with regard to environmental considerations, there are a number of environmental documents that have been prepared for the project area, which are all tied to the annexation proposal. The original staff report identified each of these documents. Upon further review by the LAFCO Staff and Mr. Dodson, the Commission's Environmental Consultant, it was determined that the Commission can rely solely on the City's Negative Declaration for Annexation No. 170, (SCH 2006081026) for its CEQA determination for the annexation proposal. One issue that needs to be addressed is the discrepancy of approximately 1.5 acres between the actual annexation area identified in the City's application (125+/- acres) and the acreage identified in the City's environmental document for Annexation 170 (123.5 +/- acres). This discrepancy was attributed to the exclusion of the right-of-way area that is part of the entire annexation. In order to provide for the environmental assessment for the entire annexation area, Mr. Dodson prepared an Addendum to the City's environmental document that addresses the inclusion of the right-of-way area. The Addendum provides substantiation that the additional acreage for the annexation will not require the preparation of a new negative declaration or environmental impact report. Therefore the City's environmental document and the Addendum prepared by Mr. Dodson, taken together are adequate for the Commission's use as a responsible agency under CEQA. Mr. Dodson has indicated that the necessary environmental actions to be taken by the Commission are as follows: Determine that the City's environmental assessment and Negative Declaration prepared for the annexation proposal and the Addendum prepared by the Commission's Environmental Consultant, have been independently reviewed and considered by the Commission and its staff; Determine that the City's environmental assessment and Negative Declaration, and the Addendum, are adequate for the Commission's use as a CEQA responsible agency for its determinations related to LAFCO 3077; Determine that the Commission does not intend to adopt alternatives or mitigation measures for the project; and that no mitigation was required for the project by the City's action; Adopt the Addendum as presented by the Commission's Environmental Consultant that addresses the environmental assessment for the additional acreage related to the right-of-way area that was not included in the City's environmental document; and, finally, Direct the Clerk to file the Notice of Determination within five days and find that no further Department of Fish and Game filing fees are required by the Commission's approval since the City, as lead agency, has paid said fees.

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Mr. Martinez says that it is LAFCO staff's position that LAFCO 3077 is a straight forward item for consideration. Staff has addressed the issues related to the county approved project within the annexation area as well as the additional acreage that was not addressed in the original environmental document. As outlined in the staff report, the annexation provides for a logical service boundary. The land uses along the Boulevard will be more consistent and finally it will provide the City full authority to manage all street improvements and traffic measures along Foothill Boulevard. For these reasons and those outlined throughout the staff report, LAFCO staff supports the approval of LAFCO 3077. Staff recommends that the Commission approve LAFCO 3077 by taking the following actions listed on pages one (1) and two (2) of the staff report. For environmental review approve 1a and 1e which were outlined earlier; approve LAFCO 3077 with the following findings and conditions. The finding - Regarding the transfer of the development project a 136-unit apartment complex located at the southeast corner of Foothill Boulevard and Live Oak Avenue (APN 0230-081-01) which is to transfer jurisdiction from the County to the City of Fontana upon completion of the Annexation, that the City of Fontana will assume the processing of the proposed development subject to the County's Condition of Approval for the Conditional Use Permit and the City's requirements as specified in its Pre-Annexation Agreement No. 07-01. The conditions – All streetlights currently the responsibility of County Service Area SL -1 within the annexation area shall be transferred to the City of Fontana upon successful completion of the annexation. And finally the standard terms and conditions that include the "hold harmless" clause for potential litigation and the identification that the transfer of utility accounts will occur within 90 days of the recording of the Certificate of Completion. Finally, adopt LAFCO resolution 2973 setting forth the Commissions findings, determinations and conditions for this proposal. Mr. Martinez states that he would be happy to answer any question from the Commission.

Chairman Colven asks if the Commissioners have any questions. There are none.

Chairman Colven states that he has a request to speak and he opens the public hearing.

Sally Cummings, resident of Fontana, states that she has owned her property for fifty years. She lives south of Foothill, east of Cherry and she and her neighbors do not want to be annexed into the City of Fontana. They are prepared to collect signatures during the protest period to put this proposal to a vote. The City's proposed boundary has cut through property lines. Ms. Cummings states that the east, west and north boundaries are fine but the south boundary follows along parcels boundaries. Ms. Cummings indicates her opinion that you could call the sheriff and you're going to be in the City, they don't know, they can't tell. Ms. Cummings states that the present boundary is easy to distinguish, it's Cherry and it's Foothill and it's Hemlock and anything south of that is the County's. Ms. Cummings expresses her opinion that the City should try to take care of the streets within its existing boundary before contemplating the addition of these areas. Ms. Cummings notes that the City has indicated it will spend 14 million dollars beautifying Foothill southside from East Avenue to Cherry. They should take some of that money and repair their City a little more. As previously stated, the people are prepared to circulate the petitions. Ms. Cummings states that she has quite a group of neighbors and they are going to take care of it. This is going to cost a lot of money, which she fully believes that the group will be able to come up with the petitions and put this item to a vote. Ms. Cummings says that she wishes that the City would take into consideration the people who have lived there for years don't want to be in the City and it is not right for the City to come along and say, hey, you're going to be. Ms. Cummings states that she knows that this won't make much difference; this will be approved, but does want to know when the protest period is so that her group can take care of business. She thanks the Commission for their time.

Commissioner Sedano asks Ms. Cummings how much dialogue she has had with the City of Fontana regarding the annexation. Ms. Cummings responds by saying that she has attended every meeting. The last one was out at the new school on Almond in October or November. Commissioner Sedano states that although he does not live in that particular area, but from what he has seen of the City of Fontana, it has been very positive. He states that he believes that her ability to work with the Mayor and his staff will benefit that area. And if she is annexed into the City and is not satisfied, she can organize the group that is planning to petition and use their voice at the next election. Commissioner Sedano says that she should go into this process with a positive attitude and recognize what the Mayor and his staff have accomplished so far. He says that he thinks she will be ok.

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Ms. Cummings states that Mr. Sedano is entitled to that opinion, but she and her neighbors do not want to be part of the City, they do not want to be annexed and as citizens of the United States of America they have the right to protest and it is time that government backed off. If the people don't want something, they have a right to say so.

Chairman Colven thanks Ms. Cummings and calls Robert Pountney to the podium.

Robert Pountney, Fontana Resident, states that he lives near new school that they are building on Beech Avenue. They are putting a ditch across the south part of the school. The drainage from the school will drain into the sewer pipe and come down and go into the ditch and then from the ditch it goes down and down the street into the sewage. His complaint is about mosquitoes. The area is going to be open and all the drainage from the school is going to drain into that drain pipe. He is concerned about the mosquitoes especially during the rainy season.

Chairman Colven informs Mr. Pountney that he would be well served to take this issue up with the Vector Control Department in the City of Fontana. It is the responsibility of the Vector Control Department to address these types of concerns. Kathleen Rollings-McDonald, Executive Officer, states that the school is being built by the Fontana Unified School District, the issues regarding the use and the development of that property would be through the Fontana Unified School District. The school itself is in the County unincorporated area. If there are questions regarding vector control those questions should be directed to the County Public Health Department, Vector Control Division. They have a 1-800 number that is available. Ms. McDonald says that she does not have that number with her however, anyone wishing that information can call the LAFCO office and they will be happy to forward the information to them. The County would be the responsible party as far as vector control issues, not the City of Fontana.

Chairman Colven calls for a motion on this item. Commissioner Pearson moves approval of the item seconded by Commissioner McCallon. Chairman Colven calls for a voice vote on the motion and it is as follows: Ayes: Colven, Cox, McCallon, Pearson Noes: None. Abstain: Biane, Absent: Curatalo, Mitzelfelt, Hansberger, Nuaimi

(It is noted the Commissioner's Nuaimi and Hansberger arrive and Commissioner Biane returns to the hearing at 9:40 a.m.)

**CONTINUED FROM JUNE 20, 2007 – CONSIDERATION OF: (1) CEQA STATUTORY EXEMPTION FOR LAFCO 3020; AND (2) LAFCO 3020 – SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE FOR COUNTY SERVICE AREA 9 (PHELAN)**

**AND**

**CONTINUED FROM JUNE 20, 2007 – CONSIDERATION OF: (1) CEQA STATUTORY EXEMPTION FOR LAFCO 3023A; AND (2) LAFCO 3023A – SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE FOR COUNTY SERVICE AREA 56 (WRIGHTWOOD/PINON HILLS)**

**AND**

**CONTINUED FROM JUNE 20, 2007 – CONSIDERATION OF: LAFCO 3070 – REORGANIZATION TO INCLUDE FORMATION OF PHELAN PINON HILLS COMMUNITY SERVICE DISTRICT, DETACHMENT FROM COUNTY SERVICE AREA 56 AND DISSOLUTION OF COUNTY SERVICE AREA 9, COUNTY SERVICE AREA 56 IMPROVEMENT ZONE F-1 AND COUNTY SERVICE AREA 70 IMPROVEMENT ZONES L AND P-4**

LAFCO conducts a public hearing continued from May 16, 2007, to consider Municipal Service Reviews (hereinafter "MSRs") for the communities of Phelan and Pinon Hills, Including County Service Area (CSA) 70, Improvement Zones G (Oak Springs), L (Phelan/Pinon Hills) and P-4; to conduct MSRs and sphere of influence updates for LAFCO 3020-CSA 9 (Phelan), LAFCO 3023A-CSA 56 (Wrightwood/Pinon Hills); and to consider LAFCO 3070-Reorganization to Include Formation of Phelan Pinon Hills Community Service District (hereinafter "CSD"), Detachment from CSA 56 and Dissolution of CSA 9, CSA 56 Zone F-1 and CSA 70 Zones L and P-4.

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Notice of the original hearing on May 16, 2007 was advertised as required by law through publication in The Sun, a newspaper of general circulation, and through publication of a one-eighth page legal ad in the Victor Valley Daily Press, a newspaper of general circulation in the area. Individual notice of this hearing was provided to affected and interested agencies, County departments and those individuals and agencies requesting mailed notice.

Executive Officer Kathleen Rollings-McDonald presents the staff report, a complete copy of which is on file in the LAFCO office and is made a part of the record by its reference here. Ms. McDonald states that the staff report that has been forwarded to the Commission outlines the environmental determinations that were necessary to complete the action for County Service Area 9 service review. At the May hearing it was recommended that CSA 9 be assigned a zero sphere of influence indicating the Commission's position that it should transition through the formation process to the Phelan Pinon Hills Community Service District (CSD). Mr. Dodson, LAFCO Environmental Consultant, has reviewed the proposal and indicated that it is his recommendation that a Zero Sphere of Influence is statutorily exempt from the California Environmental Quality Act (CEQA). Staff has provided a copy of this report to the Commission and will be recommending that the Environmental Determination be adopted. Attachment #2 to the staff report provides a draft resolution for the municipal service review sphere update making the determinations necessary on the factors that were reviewed at last months hearing and declaring a zero sphere of influence.

Ms. McDonald says that for CSA 56, at the last hearing the Commission indicated an intention to reduce the sphere of influence of CSA 56 to include only the Wrightwood Community, excluding the community of Pinon Hills from that agency. CSA 56 includes an Improvement Zone, F-1, which is designed to reflect the Pinon Hills Community and is proposed for dissolution as a part of the overall reorganization process. This item was continued to allow for environmental review of the proposal to reduce the sphere of influence for CSA 56. Mr. Dodson has indicated that it will need to be addressed through an addendum to the prior Negative Declaration that the Commission adopted for the overall formation process at its May 16, 2007 hearing. Staff has provided the determinations in the staff report. Mr. Dodson has indicated that the Commission will need to determine that the Commission Initial Study and Mitigated Negative Declaration prepared for the formation and the Addendum have been independently reviewed and considered by the Commission and its staff; that the Commission determine that this Initial Study and Mitigated Negative Declaration and Addendum are adequate for the Commission's use as a CEQA lead agency for its determinations related to this LAFCO proposal identified as LAFCO 3023A; determine that the Commission does not intend to adopt alternatives but do intend to adopt mitigation measures for the project; adopt the Addendum as presented by the Commission's Environmental Consultant; and direct the Clerk to file a Notice of Determination within five (5) days and find that no further Department of Fish and Game filing fees are required as the Commission as lead agency for the Mitigated Negative Declaration has paid said fees.

Ms. McDonald says that attachment four (4) to the staff report is the draft resolution putting forward these determinations for the Municipal Service Review and for the sphere reduction. The sphere reduction is proposing that the CSA 56 sphere encompass the area outside the formation of the Phelan Pinon Hills CSD encompassing the area of Highway 2 entering this Community up to the County line.

Ms. McDonald shows maps of the Phelan Pinon Hills CSD proposed area. Ms. McDonald also shows maps of the CSA 56 territory showing the area to be removed from CSA 56 as a part of the process through detachment and the retention of the balance of the area outside within the CSA 56 sphere. She also shows maps of the dissolution of CSA 56 Improvement Zone F-1 which is also part of the overall proposal and the CSA 70 Zone-L boundary that is included within the area showing that the Community of Phelan Pinon Hills will be contained within the proposed formation outlined boundary and that the Wrightwood Community will be wholly excluded from this consideration.

Ms. McDonald says that the Commission also continued LAFCO 3070, which is the actual reorganization proposal to form the Phelan Pinon Hills CSD. Progress has been made in finalizing the multitude of items that are needed to move forward with the final consideration of this proposal. On June 26, 2007, the County Board of Supervisors took an action to adopt Appropriation Limits for several agencies including

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CSA 70 Zone-L, CSA 56 and CSA 56 Zone F-1, which will allow LAFCO staff to make the necessary calculation for the new appropriation limit for the proposed Phelan Pinon Hills CSD. A methodology has been developed to transfer a share of the pooled equipment that is currently a part of the County Special Districts Department Water and Sanitation Division, allowing for transfer to the new Phelan Pinon Hills CSD upon its formation. Ms. McDonald says that LAFCO staff will provide a complete analysis of that methodology and the proposed method to transfer the revenues as part of the final consideration and it will be a part of the conditions for approval for Commission consideration.

Ms. McDonald says that no resolution to a number of items has been achieved. LAFCO staff, the Feasibility Committee membership, County Special Districts Staff, and staff from the County have continued to meet on a weekly basis to try to resolve issues related to the formation of the Phelan Pinon Hills CSD. The group is adamant about presenting the Commission with a final staff report at the August hearing that will address the issues to allow the proposal to move forward to a February election for this proposal. The group has worked toward providing a methodology to transfer funds to the CSA 56 to make sure that they are sustainable in the future. That methodology is being worked out and will be a condition of approval as previously mentioned. Ms. McDonald states that while great headway has been made on this issue, it has not been finalized at this date. The group is also working on a methodology to transfer revenues from the Special Reserve Fund for the County Special Districts Department for equipment purchases and the group is all most at a finishing point.

Ms. McDonald says that the final element that is needed in order to put the package together to send to the Infrastructure Bank in Sacramento to consider the transfer of the existing four (4) million dollar loan is the transition plan and draft contracts for general manager and operation and maintenance. County Special District staff continues to work on these matters, so that a complete package can be forwarded as soon as possible. LAFCO staff will be participating in that consideration to make sure that there are no issues with the transfer of that loan. Staff has received letters from the attorneys indicating that there will be no affect on the non-taxable status of the bond that support the loan. Ms. McDonald says that the one element that is outside of LAFCO staff's control is the issue of the California Infrastructure Bank determination and that is a requirement for this proposal to move forward.

Ms. McDonald states that the staff recommendation is approval of the Environmental Determination for CSA 9; approval of the Environmental Determination for the reduction in the CSA 56 sphere to the Wrightwood Community; that the municipal service review reports for CSA 9 and 56 be received and filed and that the Commission determine that the sphere of influence for CSA 9 be designated as zero and that the sphere of influence for CSA 56 be reduced to include only the territory outside the formation of the Phelan Pinon Hills CSD, identified as LAFCO 3070; and that both the resolutions outlining the determinations be adopted. In addition, it is LAFCO staff's recommendation that the Commission continue the consideration of LAFCO 3070 to the August 15, 2007 Commission hearing. Ms. McDonald states that she would be happy to answer any questions.

Chairman Colven states that he has a request to speak and he opens the hearing.

Charlie Johnson, Chair of the Phelan Pinon Hills CSD Feasibility Committee states that he would like to confirm everything that Executive Office McDonald has stated. LAFCO staff has done an awesome job. Mr. Johnson says that he wants to disclose that he has contributed over \$250 to Commissioner Mitzelfelt campaign, which has nothing to do with this issue. He says that the group has been meeting every week for the past two months and they have come up with a list of outstanding issues and quite a few of them have been completed and some that are very close to completion. Mr. Johnson says that he believes that they are at the dotting "i"s and crossing "t"s part of the project. At the last meeting the group went over the transition plan and the group is close to a final plan. The part that is out of the control of the group is that of the CIEDB loan, so that is something that the group is concerned about due to the fact that they have no way of knowing what the bank's timing is in terms of the bank's approval of this issue. Everything else is within the group's control. Mr. Johnson says the he would like to add that Mr. Kanold and Mr. Sutton and staff have done a very nice job in getting this done. He adds that this process has been painful, frustrating, but progress is being made. The group wants to do it right and he feels that they are doing it right. The meetings will continue until the issues are all resolved. As a result of the outstanding issues some items have come to the forefront that were not anticipated, not significant issues



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but issues over the ownership of lots and things of that nature. The group is encouraged and looking forward and hoping that some of these issues will be finalized at the next meeting and not have to wait for the next meeting. Mr. Johnson says that he believed that the group will have everything put together for the August Hearing.

Chairman Colven asks if there are any questions from the Commission for Mr. Johnson. There are none.

Chairman Colven asks Executive Officer McDonald how long the Infrastructure Bank situation will take, he asks if she has any time frames.

Ms. McDonald says that LAFCO staff has no idea how long the situation will take to resolve. The Infrastructure Bank has never utilized the assumption provisions of their existing contracts. Ms. McDonald notes that the information required has been gathered, with the exception of the Transition Plan, and once the Transition Plan is finalized, it will be packaged up and sent to the Infrastructure Bank and move forward. The Bank has never done this so staff is hopeful that as soon as they receive the Transition Plan they will place the item on the next available agenda, but they too met once a month.

Chairman Colven thanks Ms. McDonald and calls for a motion from the Commission.

Commissioner Biane moves approval of the staff recommendation, seconded by Commissioner Cox. Chairman Colven calls for a voice vote on the motion and it is as follows: Ayes: Biane, Colven, Cox, Hansberger, Nuaimi, McCallon, Pearson, Noes: None. Abstain: None. Absent: Mitzelfelt, Curatalo

**DISCUSSION ITEMS**

**CONSIDERATION OF: (1) NOTICE OF INTENT TO ADOPT NEGATIVE DECLARATION FOR LAFCO 3074; AND (2) LAFCO 3074—ACTIVATION OF SEWER POWERS FOR JOSHUA BASIN WATER DISTRICT**

LAFCO conducts a public hearing to consider the adoption of the Negative Declaration for LAFCO 3074 – Activation of Sewer Powers for Joshua Basin Water District. Notice of this hearing was advertised as required by law through publication in The Sun and the Hi- Dessert Star, newspapers of general circulation in the area. Individual mailed notice was provided to affected and interested agencies, County departments, those individuals and agencies requesting mailed notice and landowners and registered voters within and surrounding the area pursuant to State law and Commission policy.

Executive Officer Kathleen Rollings-McDonald presents the staff report, a copy of which is on file in the LAFCO office and is made part of the record by reference herein. Ms. McDonald states that it is staff's recommendation that this item be continued to the August 15<sup>th</sup> hearing. Staff needs to review the response to comments on the initial study to make sure that they are adequate to address this issue. The Joshua Basin Water District has concurred in that continuance.

Chairman Colven asks for a motion on this item.

Commissioner Biane moves approval of the continuance, seconded by Commissioner Cox. Chairman Colven calls for a voice vote on the motion and it is as follows: Ayes: Biane, Colven, Cox, Hansberger, Nuaimi, McCallon, Pearson, Noes: None. Abstain: None. Absent: Mitzelfelt, Curatalo

**CONSIDERATION OF ADOPTION OF RESOLUTION APPROVING AMENDMENTS TO SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY JOINT POWERS AGREEMENT REGARDING ELIMINATION OF ADMINISTRATIVE FEE PAID TO CALIFORNIA SPECIAL DISTRICT ASSOCIATION**

LAFCO conducts a public hearing to consider the Resolution approving amendments to Special District Risk Management authority Joint Powers Agreement regarding elimination of administrative fee paid to California Special District Association. Notice of this hearing was advertised as required by law through publication in The Sun, a newspaper of general circulation in the area. Individual mailed notice was provided to affected and interested agencies, County departments, those individuals and agencies

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requesting mailed notice and landowners and registered voters within and surrounding the area pursuant to State law and Commission policy

LAFCO Executive Officer Kathleen Rollings-McDonald presents the staff report, a copy of which is on file in the LAFCO office and is made a part of the record by its reference herein. Ms. McDonald states that staff is requesting that the Commission adopt a resolution supporting amendments to the Special Districts Risk Management Authority Joint Powers Agreement, noting that LAFCO participates in SDRMA to provide our workers compensation and liability insurance. Staff is recommending that the Commission adopt Resolution No. 2972 reflecting the Commissions support of these amendments.

Chairman Colven calls for a motion from the Commission.

Commissioner McCallon moves approval of the staff recommendation, seconded by Commissioner Cox. Chairman Colven calls for a voice vote on the motion and it is as follows: Ayes: Biane, Colven, Cox, Hansberger, Nuaimi, McCallon, Pearson, Noes: None. Abstain: None. Absent: Mitzelfelt, Curatalo

Commissioner Sedano states that he would like to thank the Commission for approving the recommendation, but he wants the Commission to know that it has taken twenty years for SDRMA to finally eliminate this. Commissioner Sedano thanks the Commission for their time.

**REVIEW AND ADOPTION OF MODIFICATIONS TO INTERNAL OPERATION GUIDELINES, HUMAN RESOURCES POLICIES AND GUIDELINES AND BENEFIT PLAN FOR LAFCO EMPLOYEES**

LAFCO conducts a public hearing to consider the Review and Adoption of Modifications to the Internal Operation Guidelines, Human Resources Policies and Guidelines and Benefit Plan for LAFCO Employees. Notice of this hearing was advertised as required by law through publication in The Sun, a newspaper of general circulation in the area. Individual mailed notice was provided to affected and interested agencies, County departments, those individuals and agencies requesting mailed notice pursuant to State law and Commission policy

LAFCO Staff Analyst Michael Tuerpe presents the staff report, a copy of which is on file in the LAFCO office and is made a part of the record by its reference herein. Mr. Tuerpe states that due to a printing error Resolution pages 2 and 4 were not copied, so a full copy of Draft Resolution No. 2974 have been presented to the Commission at their place for consideration at this hearing. Mr. Tuerpe states that LAFCO currently contracts with the County to administer its benefits and compensation programs, which are defined as equivalent to those provided to County Exempt Employees. On June 26, 2007, the County adopted Ordinance No 4024 amending its Exempt Compensation Plan. Due to these changes modifications are needed to clarify the benefits for LAFCO employees. The major modifications are an increase in the probationary period for specific LAFCO employees from twenty weeks to one year, also decrease in eligibility from ten years to five years for sick leave conversion. Mr. Tuerpe says that as for retirement medical trust-fund, also a decrease in eligibility for participation from ten years to five years. Mr. Tuerpe notes that there will be an increase in LAFCO contribution rate from ½ a percent to 1 percent for those with five years of eligibility in the Retirement Medical Trust Fund. This is due to the eligibility of the incoming clerk. Also, upon separation from LAFCO service, employees will contribute the cash value of their unused sick leave balances to the trust at the rate of 75% of the value of their unused sick leave hours. Previously, the contribution percentage was based on the formula. This will result in an increase of roughly \$4,600, based upon the cash out of the retiring clerk's sick leave balance.

Mr. Tuerpe says that the Portable Communication Device Allowance is now the title for the old cell phone allowance and the Executive Officer will now receive a bi-weekly allowance of \$92.31; this equates to an increase of \$1,750 for this year. Mr. Tuerpe says that the Automobile Allowance increases to \$461.54 equating to an increase for the year of \$3,000.

Mr. Tuerpe says that staff recommends approval of the modifications to the LAFCO Internal Operation Guidelines, Human Resources Policies and Guidelines, and Benefits Plans; he says that he will be happy to answer any question.

Chairman Colven calls for a motion from the Commission.

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Commissioner Biane moves approval of the staff recommendation, seconded by Commissioner Nuaimi. Chairman Colven calls for a voice vote on the motion and it is as follows: Ayes: Biane, Colven, Cox, Hansberger, Nuaimi, McCallon, Pearson, Noes: None. Abstain: None. Absent: Mitzelfelt, Curatalo

**PENDING LEGISLATION**

Executive Officer Kathleen Rollings-McDonald presents the staff report on pending legislation, a copy of which is on file in the LAFCO Office and is made a part of the record by reference herein. Ms. McDonald states that staff has provided for the Commission a copy of the CALAFCO Legislative Report that outlines the CALAFCO legislative review of the bills that are of a particular interest to LAFCOs throughout the state. Of special note to this Commission, SB819 has been enrolled to the Governor for signature. This is the bill that will remove the sunset clause for the consolidation of non-like districts. This has been a long hard fought battle and it has put our LAFCO in the forefront of discussions at the State level.

Ms. McDonald says that also enrolled to the Governor is AB745 which proposed a political reform act amendment to require the identification of campaign contributors for protest proceedings; there has been some consternation regarding protest opposition petitions and the funding for these campaigns. According to the FPPC in the past a protest petition is not required to report those campaign contributions, AB745 will require that any solicitation of opposition by an organized group will require these campaign contributions be outlined. Staff is asking for the Commissions support in sending a letter to the Governor urging signature on SB819 and on AB745. Ms. McDonald says that she would be happy to answer any questions from the Commission.

Chairman Colven asks if there are any questions from the Commission on this item. There are none.

**EXECUTIVE OFFICER'S REPORT**

Executive Officer Kathleen Rollings-McDonald states that the Commission has received a copy of the LAFCO status report outlining the proposals that LAFCO staff continues to work on. At the Commissioner's place today she has given the latest letter from the General Manager of the Baker Community Services District. Ms. McDonald says that she has not responded to this letter as she finds the last paragraph of the letter extremely offensive. If the Commission would like, Ms. McDonald will draft a letter for the Chairman's signature, but she does not intend to respond to the letter. She wanted the Commission to be aware of the on-going item.

Ms. McDonald says that she talked about AB745 and shows the Commission a full page ad from the Victor Valley Newspaper. She says that the ad was taken out by the Victor Valley Water District regarding protest to the consolidation Baldy Mesa and Victor Valley Water Districts soliciting opposition to that proposal. The protest period for that item, LAFCO 2991, opened on June 26 and will close on July 26 at the closure of the public hearing for protest. As of yesterday's mail, (July 17, 2007) LAFCO staff had received 432 protests by registered voter for the Baldy Mesa Water District and 64 registered voter protests within the Victor Valley Water District. In order to have a valid protest to require an election, LAFCO will need in excess of 6,000 protests from the Victor Valley Water District and in excess of 2,500 protests from the Baldy Mesa Water District; There is just a week left and unless there is a flurry of protests received, she does not anticipate that LAFCO will receive the sufficient numbers to take this item to an election.

Ms. McDonald says that LAFCO staff has received notification from the CALAFCO Executive Board that with the indication from Commissioner Biane that he is not running for re-election to the Executive Board, so they are seeking two members from the County for nomination. She asks if any of the Commissioners are interested in participating on the CALAFCO Executive Board. If so, LAFCO staff would be happy to place their name in nomination.

Ms. McDonald says that the August agenda will have another service contract with the City of Fontana and LAFCO staff will also be noting receipt of two Barstow proposals; continuation of LAFCO 3070; the Joshua Basin Activation of Sewer Power; and the continuation of service reviews for CSA 42 and 64. For

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September LAFCO staff anticipates some final actions for the Commission, the Phelan Pinon Hills CSD to place it on the February election, some considerations of service contracts with the Hesperia Water District serving into the Oak Hills Community. LAFCO staff continues to work with the County on the Fire Re-organization and hopefully this process will begin in early fall.

Ms. McDonald says that she forwarded to the Commission a waiver letter for legal counsel related to the Hi- Desert Water District, to date no indication of any issues have been received, so staff will move forward with Mr. Alsop sitting as legal counsel for review of expansion of sewer authorities for the Hi- Desert.

Commissioner Hansberger asks about the issue of Mr. Alsop representing LAFCO and Hi- Desert, while he personally has no problems with it, he is well aware of the folks in the Morongo Basin and their sensitivity to issues of this nature. It seems that prudence would say that it would be better to have separate legal counsel for both Hi- Desert and LAFCO so that there is no conflict.

Executive Officer Kathleen Rollings-McDonald asks if Commissioner Hansberger is registering a concern with the waiver.

Commissioner Hansberger states that he is; he says that he is afraid the issue will come up as the Commission begins its process of evaluation of that proposal, people are going to come and say that there is a conflict. Perhaps he is confused and we can wait to make that decision; the minute someone has a concern with the future of a District, and then they will have technical concerns about the process. Commissioner Hansberger asks if the Hi- Desert application expand the boundaries.

Ms. McDonald says that it does not. It is an activation of additional services under their existing sewer function. The Hi- Desert Water District currently has sewer service activated; however, they are only authorized planning and engineering. Since the District is processing a proposal to begin a regional sewage collection and treatment system, they have applied to expand that service to include actual collection, reclamation and disposal, so it has no affect on the physical boundaries of that entity.

Commissioner Hansberger states that the concern that he is getting from the folks in the Morongo Basin is that this will expand into a larger footprint then the current district. Logic would tell you that if you are going to put in a sewer treatment facility, you ought to look at the area to be served, not just water serving boundaries. There are other water purveyors in the area who will never be in the sewer business and so somebody has to be their provider and of particular concern is if you expand this, ultimately as you might into Joshua Tree, you immediately have real concerns out there about jurisdictional authorities.

Ms McDonald says that the current discussions for Hi- Desert are to sewer the area of Yucca Valley. They have conducted and are working on that plan for development of a wastewater treatment plant for service within their existing boundaries. If in fact there was some regional concept to be put forward regarding that service, that would be a separate consideration by this Commission, if it were to include Sphere expansion, actual physical change to the boundary.

Commission Hansberger says that he would like it to be that simple, to be able to say Hi- Desert's boundaries are here and sewer service will be purveyed here. If you get into a discussion of sewerage in that portion of the Morongo Basin, it just naturally and logically takes you to what happens when that property that is immediately on the east side of the City of Yucca Valley's boundary wants to develop, and there are in the process of looking at it and they require sewer service and so forth, who does that; and so naturally one would go to the Hi- Desert and that brings some of the folks from Joshua Tree raising opposition.

Ms. McDonald says that as soon as sewage treatment is introduced there will be discussions. There have been discussions in the past along the western periphery of the Joshua Basin Water District and the eastern periphery of the Hi- Desert District because they abut one another. The discussion with LAFCO staff has been related to the possibility of expanding Hi-Desert and detaching territory from the Joshua Basin Water District. The staff response has been to convey the Commission's policy statements that

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spheres of Influence are addressed in a community approach. The Joshua Basin community is defined by its sphere of influence which includes the Joshua Basin Water District. They would have to introduce a specific rationale to change that community definition for all service levels, not just water or in the future sewer. Again, if they wanted to serve outside their boundaries it also becomes a LAFCO decision under Government Code Section 56133. Hi- Desert will not be allowed to extend service outside its boundaries without a contractual relationship with the properties. One of the first specific sections of Section 56133 is to require that the area to be served by contract be within the existing sphere of influence of the entity proposing to serve. So there are multiple hurdles to the expansion of this service in the future and it will require participation of the Commission in looking at a regional effort; sewer service typically should be a regional effort, but in this case Hi- Desert has had the authority for engineering and planning since 1976.

Commissioner Hansberger says that it is important to have this discussion in that area, however, the area to be served, the Hi-Desert boundaries are not exactly coterminous with anyone else's boundaries so ultimately it just brings into play discussions from multiple issues and it is concerning that, having represented that area for sometime, consensus is sometimes a difficult thing to get and anything that works against consensus including technicalities such as do we trust our lawyer, your lawyer, and their lawyer, can be an issue and it is best to avoid complications as the discussion progresses. At this point in time we may not need to do anything about it but as the process continues, we may.

Ms. McDonald says that according to Policy 34, the Commission needs to identify whether there is objection to the waiver and that is the reason for the circulation of the waiver letter. If any member of the Commission is concerned about the representation of Mr. Alsop and his firm representing Hi-Desert, Commission policy requires that outside legal counsel be retained. If there is an objection then LAFCO Staff will contact its outside legal counsel and contact the district to indicate that they will be required to fund that outside counsel.

Commissioner Hansberger states that he does not agree with that policy, it is not somebody else's fault that the LAFCO Legal Counsel becomes conflicted so no one else should pay for it.

Ms. McDonald says that the policy identifies the process and LAFCO has a legal deposit for Mr. Alsop's services. The question that will be presented to the Commission as the next hearing to review that contract is whether LAFCO will charge the district Mr. Alsop's current rate and the Commission pays the balance; The hourly rate for Mr. Goldfarb is \$225 per hour, Mr. Alsop's rate is at \$190 per hour, or require them to pay the whole rate.

Commissioner Hansberger says that the technicalities are not pertinent; the policy is what is more important. The question is that if the Commission has a situation in which our Counsel's representation creates the potential of a conflict it should be the Commission's responsibility to pay for it.

Ms. McDonald says that they would then pay the same rate because LAFCO requires a legal deposit for Mr. Alsop's work on all proposals, it is a part of the fee package and LAFCO would bill to them hour per hour at Mr. Alsop's existing rate regardless of what the actual cost for those services are. The item will be placed on the August agenda for consideration.

Commissioner Hansberger says that he does not wish to complicate the issue however he is aware of how the people in the Morongo Basin respond to these issues, but he would hate to start review of a proposal and have to stop and address these issues then.

Ms. McDonalds says that that is the reason for the disclosure letter circulation. The item will be placed on the agenda and the district will be notified.

**COMMISSIONER COMMENTS**

Chairman Colven calls for comments from the Commissioners.

Commissioner Sedano states that the Commission has not resolved the matter regarding the letter from the Baker CSD. As a personal thought, the Commission should respond to it and the response should go under the signature of the Commission Chair or under Mr. Alsop. The accusations in the letter from the

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General Manager of the Baker CSD are deplorable and his lack of knowledge on LAFCO is unbelievable. Commissioner Sedano says that perhaps the General Manager of the Baker CSD needs to be educated.

Commissioner Pearson suggests that instead of LAFCO addressing the letter from Baker CSD that the County Special Districts Association ought to communicate with the General Manager.

Commissioner Cox says that as the President of that organization she will take that under advisement.

Commissioner Pearson states that when one hears from their own members, the people with whom one has a common interest, the reason that a Special Districts Representative sits as part of the body of the Commission is to participate and to share in the obligations and decision making of the Commission. The Baker CSD General Manager does not like the decision, which is a combination decision of the Commission and Special Districts, which requires Special District to pay their proportionate share.

Commissioner Cox says that she is somewhat offended, in the first letter from the Baker General Manager she was worth \$338,000 and now she has been devalued to \$169,000.

Commissioner Pearson says that perhaps if the Special Districts Association is to respond to the Baker General Manager by explaining that they are aware of the comments and sit on the LAFCO Commission at their own request as collectively Special Districts and the LAFCO Commission has honored that request as long as Special Districts pay their proportioned share, which they do.

Commissioner Sedano says that he does not think that the letter should be ignored.

Commissioner Colven says that much of the Baker General Manager's lamentations are not the fault of the Commission. The mandates come from the legislature and the Commission is just following through.

Commissioner Pearson says that all of the Commissioner's serve in elected bodies in which we know that the high percentage of the complaints we receive are things that someone else has imposed, and because they don't want the blame, we carry out their policies. How different is this from the other things that we do.

Commissioner Cox states that she will present this to the Special District Board at the next board meeting in August.

Commissioner Sedano says that Commissioner Biane has done an outstanding job with the CALAFCO and wishes that he would reconsider running for re-election to the Executive Board.

Commissioner Biane says that his duties as Chairman of the County Board of Supervisors is something that he really wants to focus on and does not want to be distracted, but perhaps when he is done with that he might reconsider.

Commissioner Nuaimi states that he would like to go back to the Baker letter and says that the General Manager does pose the question of if the increase in cost at LAFCO are a result of new mandates or increase scope of mandates that the state should be reimbursing and perhaps there is a reimbursement potential for the Baker CSD. He asks if it is a valid position that the Baker General Manager is taking, aside from his other accusations.

Mr. Alsop, LAFCO Legal Counsel, says that he has not read the letter, however, the Commission did have that discussion a couple of months ago. There is a process by which people can request reimbursement of State mandates. The problem with LAFCO is that it has the ability to raise that money by charging people, so typically that is something that the State is not going to reimburse a local agency for, because we can increase or offset that mandate by just increasing our fees.

Commissioner Nuaimi asks if we are not in effect passing that mandate on to that member agency that we are assessing the fee to and could they in turn submit to the state, since LAFCO is an extension of the state or the legislature, LAFCO is carrying out their role locally.

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Mr. Alsop says that there are two things, part of the fees go to the applicants and then the other part are just allocation of funding which is divided three ways between the County, the Cities and the Special Districts. And yes it is all passed on one way or another. When the Commission had the discussion before he indicated whether the Commission should try to seek reimbursement and it was said at that time that the Commission would not be very successful in accomplishing that.

**COMMENTS FROM THE PUBLIC**

Chairman Colven calls for comments from the public. There are none.

**THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE COMMISSION, THE HEARING IS  
ADJOURNED AT 10:20 a.m.**

**ATTEST:**

\_\_\_\_\_  
**REBECCA LOWERY**  
Deputy Clerk to the Commission

**LOCAL AGENCY FORMATION COMMISSION**

\_\_\_\_\_  
**ROBERT W. COLVEN, Chairman**